FISCAL NOTE HB 9 - SB 15 SECOND EXTRAORDINARY SESSION

November 9, 1999

SUMMARY OF BILL: Imposes a \$2 application fee to be paid by anyone applying for TennCare coverage as uninsured or uninsurable whose income is above the federal poverty level. The application fee must be paid annually if the person is approved for TennCare coverage. Any premiums due to TennCare are to be filed as a lien against real property owned by the enrollee.

ESTIMATED FISCAL IMPACT:

Increase State Revenues - Less Than \$100,000

Increase State Expenditures - \$123,400

Assumes that:

- Approximately 2,400 applications approved per month with \$2 fee collected from each (\$57,600).
- Liens are filed on about two-thirds of all applicants because one-third are children without property.
- A need for two staff persons in TennCare and associated expenses to file and track liens.
- Some revenue will be gained from foreclosing on property but that the amount cannot be determined but is estimated to be not significant.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

James A. Davenport, Executive Director

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